



**Testimony of James E. Shmerling, DHA, FACHE  
President and CEO of Connecticut Children's Medical Center  
to the Appropriations Committee regarding *House Bill 5037*  
*An Act Adjusting the State Budget for the Biennium Ending June 30, 2023***

**February 23, 2022**

Senator Osten, Representative Walker, members of the Appropriations Committee, thank you for the opportunity to submit testimony for the committee's consideration regarding the Department of Social Services budget adjustments. We value the opportunity to share our unique perspective as the state's only hospital focused exclusively on the needs of children.

These past two years have been difficult for us all, but we know that this pandemic has been especially challenging for children. We have also seen the pandemic shine a spotlight on many of the existing socio-economic challenges that families were facing long before we ever heard of COVID-19. These challenges greatly impact a family's ability to manage their health and the development of their children.

We can help children come back stronger if we all work together to prioritize critical investments in programs and services that strengthen children and families. A continuing partnership between public and private sectors is vital to ensure that all of Connecticut's families are able to receive the right care, at the right time, in the right setting.

The proposed budget includes many measures that illustrate how public and private leaders can work together to improve the physical and emotional health of children. We are grateful for the state's support of a new Medical-Psychiatric unit at Connecticut Children's where we will be able to address both the physical and behavioral health needs of children. We look forward to working with families and community based providers to ensure this unit is impactful and reflective of the growing needs of pediatric behavioral health crisis.

**Background**

Connecticut Children's is a nationally recognized, 187-bed not-for-profit children's hospital driving innovation in pediatrics. With over 2,800 employees, more than 1,300 on our medical staff, and locations spread across our region, we are Connecticut's only independent children's health system.

**How do we drive innovation in pediatrics?** Connecticut Children's Research Institute is advancing life-saving, innovative treatment models. From inflammation biology and regenerative medicine to behavioral health studies to rare disease research, Connecticut Children's scientists are at the forefront of the future of healthcare. We also pursue innovative approaches to family centered care. Our Center for Care Coordination empowers families and connects them to appropriate medical, behavioral, educational, legal and social services through a team-based approach designed to meet the needs of children while also strengthening the caregiving capabilities of families. The State can complement our innovative approach by making sure that there is focused and accountable leadership overseeing the holistic needs of children and driving public policy decisions that support kids and families.

**How is Connecticut Children's unique among hospitals?** All of our time and energy is spent on kids. Every day, our dedicated pediatricians, nurses, researchers and staff are focused on improving health outcomes for all kids both in our clinical locations and in the community. We are proud of our many statewide partnerships that connect our pediatric experts with adult hospitals, primary care providers, academic institutions, research centers and state agencies, and we are able to offer a continuum of accessible care for children, from primary prevention to complex disease management. By leveraging the combined scope and knowledge of the hospital, our specialists and primary care pediatricians, we are building a stronger pediatric community that can care for the whole child while improving quality of care and reducing costs.

### **Advancing health equity for kids**

Like many organizations, we are investing time and resources into understanding and advancing ways to improve the social factors that address children's health. Only about 10% of children's overall health is determined by the health care services they receive. In partnership with community based organizations, public health leaders, school officials, and families we are working to improve the social determinants of health such as quality housing, adequate transportation, and access to healthy foods in order to prevent illness before it develops.

Our efforts to improve the quality of life and well-being for children and families has involved multi-level engagement opportunities with community and public stakeholders. For example, we are grateful to have a dedicated seat on the state's new Racial Equity in Public Health Commission (filled by our Division Head of Pediatric Psychology, Dr. Melissa Santos). As a psychologist that specializes in family treatment of pediatric obesity, Dr. Santos understands first-hand how the pandemic has impacted many children living in diverse communities and her role on this committee will provide the mechanism to share productive insights and solutions to strengthen families.

As an organization, we are continuing to learn through our Office of Community Child Health (OCCH) about the impact growing up in economically depressed areas can have on the health outcomes of children. This is one of many reasons that Connecticut Children's is a longstanding member of the Southside Institutions Neighborhood Alliance (SINA), along with Hartford Hospital and Trinity College. Through this collaborative effort, we partner with local leaders in Hartford's south end to improve the quality of life for residents through community programming and initiatives. One such initiative is the Walk to Work program, which connects residents in the SINA catchment area to jobs at its member institutions in an effort to reduce the area unemployment rate, which is currently 13-14%, and lower the poverty rate which is around 35%. SINA also develops healthy affordable housing and engages with neighbors to promote clean and safe streets.

OCCH has also initiated a five year, cross-sector effort designed to improve the lives of children in North Hartford. The OCCH team is leading the design, implementation, and evaluation of the North Hartford Ascend Pipeline, a comprehensive prenatal through career initiative designed to help children in North Hartford reach their full potential by improving academic outcomes, developmental trajectories, long-term well-being, and quality of life. While this grant funded work begins in North Hartford, the models used and the lessons learned will be shared and hopefully replicated around the state and nationally.

### **Supporting the emotional wellbeing of children and families**

As the state's largest provider of pediatric emergency behavioral health services, we witness every day the extent to which Connecticut and our nation are in the midst of a children's behavioral health crisis. In October 2021, Connecticut Children's joined many of our fellow children's hospitals from across the country, the American Academy of Pediatrics, and the American Academy of Pediatric and Adolescent Psychiatry in declaring a National Emergency in Children's Behavioral Health.

The current crisis existed before the pandemic and resulted from years of underinvestment in children's emotional wellbeing. When families seek behavioral health services for their kids, they often cannot find that care whether they require a community based mental health counselor, a short-term outpatient program or an inpatient stay. If a child was diagnosed today with a medical condition like cancer, it is likely that families could quickly access the care they need. Unfortunately, children with urgent behavioral health needs regularly experience delays in care which impact how and when their health will improve.

We applaud state leaders for recognizing the scope of the current crisis and proposing significant investments that will begin to address our state's disjointed pediatric behavioral health system. Singular investments, however, will not solve the crisis our children face. State leaders must make strategic investments in an integrated system that will improve overall access for all children regardless of payer. For example, many children who end up in our care may have been able to avoid that outcome by accessing community-level supports or consulting with a primary care pediatrician who is comfortable handling behavioral health issues. Connecticut Children's supports the investment in more training tools for pediatricians. In fact, our network of community pediatricians participated in trainings designed to improve their skills, expand knowledge and create a more confident pediatric workforce that is better equipped to address the behavioral health needs of their patients. It is our hope that this approach will shorten the time children must wait between identification, treatment and improved health.

To achieve the goal of a strong, accessible and integrated pediatric behavioral health system in Connecticut we must invest now, measure the results and continue to invest over time. For now, we are encouraged to have the partnership of state leaders and believe that through critical efforts that balance short-term and long-term results, we can make real improvement in the lives of kids and families.

### **Caring for our youngest patients**

Nearly 40% of the mothers giving birth in Connecticut rely on Medicaid and last year HUSKY provided coverage for 52% of the babies who receive care in Connecticut Children's NICUs. On average, the babies who rely on Medicaid and are under the care of our Neonatology team require more services and are sicker than the other babies in this unit. This is an unfortunate statistic and we are working with state and community leaders to improve health outcomes for moms and babies.

One way we are contributing to the clinical understanding is through our newborn infant screening program, which helps to ensure that babies born with certain genetic conditions receive diagnosis and treatment as early as possible. Launched in May of 2018, Connecticut Children's partnered with the Connecticut Department of Public Health (DPH) to develop and implement the Connecticut Newborn Diagnosis & Treatment Network. Through this Network, we established a coordinated system that responds to all infants in Connecticut with "out of range" newborn screens to enhance outcomes by providing a vital link between primary care providers, specialists, and families.

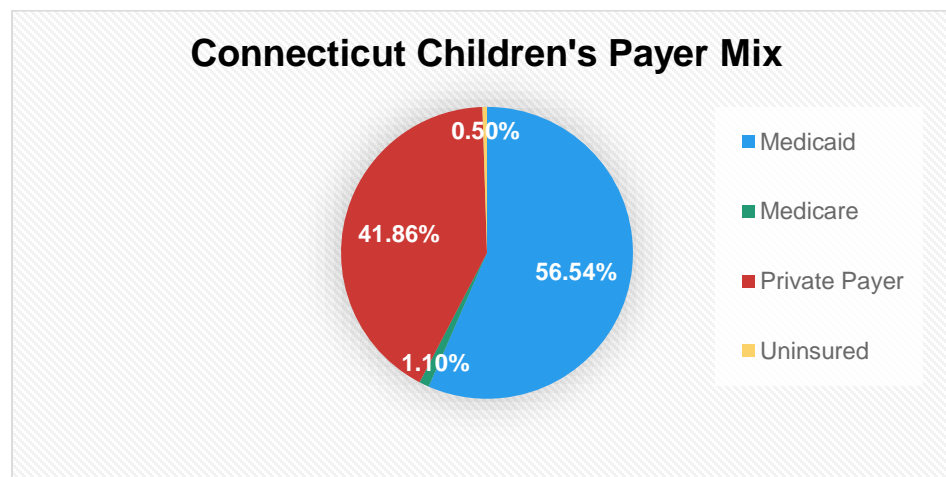
From October 2020-October 2021, 36,444 babies were born in Connecticut. Of those, 496 fell out of the normal range during the screening process, and 137 were diagnosed with a condition on the newborn screening panel.

Thanks to this coordinated system and a strong IT infrastructure, Connecticut is at the forefront of a nationwide movement to ensure long-term follow-up for children diagnoses with these rare conditions. Using this enhanced electronic system, the Network has significantly decreased the time between screening and diagnosis from an average of 140 days down to 40 days. This means less stress for families and treatment for newborns can begin sooner.

The infants in our NICU often stay with us for weeks and months at a time as they receive highly specialized care. Often, when a pre-term baby is finally healthy enough to go home, it can mean just the beginning of a childhood of continuing medical issues. As such, we know that the care we provide for babies and their families in the first hours, days, and weeks of life, is critical and will have lifelong implications for their physical health and emotional wellbeing.

#### **Addressing children's health through innovative payment models**

At Connecticut Children's, more than half of our patients who require inpatient care and nearly two-thirds of children who require emergency care, rely on Medicaid. Combined with the almost nonexistent role of Medicare in the pediatric setting, Connecticut Children's payer mix looks dramatically different than other hospitals in the State. Connecticut Children's also stands apart because our patients are sicker; we have the highest Medicaid Case Mix Index in the State—1.76 vs. the statewide average of 1.38.



Source: Office of Health Strategy's FY2020 Annual Report on the Financial Status of Connecticut's Short Term Acute Care Hospitals

Since we know that the pandemic has shined a light on disparities and exacerbated them for many families, it is essential that the state's Medicaid program advances payment models which foster care for the whole child. Innovative approaches that promote the utilization of tools like care coordination and co-management of physical and mental conditions, and foster advancements in population health will address disparity and improve outcomes for our most vulnerable children. Connecticut Children's is well-positioned to partner with the Department of Social Services (DSS) since we provide more care, from check-ups to the most complex surgeries, to children who rely on Medicaid than any other provider in the State. With the support and encouragement of legislative leaders, we stand ready to collaborate with DSS and construct payment models that will keep children healthy.

While we are grateful that the Governor's proposed budget includes level funding for our DSH payment, the continual tweaking of Medicaid payments stresses the continuum of care for all of the children and families we serve. Over the past decade, Connecticut Children's has seen less Medicaid reimbursement for the same amount of service. We urge legislative leaders to advocate on behalf of children and identify, in partnership with DSS, new payment mechanisms that support the physical and emotional health of children today and as they grow.

### **Looking to the Future**

Through its support of the HUSKY program, state leaders are ensuring that all children have access to the health care services they deserve, regardless of their zip code or parents' income. But we also know that health is about more than simply having insurance coverage. Now is the moment the state, healthcare providers and communities must come together and think more holistically about what it means to care for families. Resilient parents and caregivers are better able to provide kids with a web of support when they can earn a living wage, put food on the table, and rely on the health and safety of their homes and communities. We can support children's health by supporting families' resilience.



Also remember that the resources we invest in children are just that—an investment. The care we provide for infants and children early in life is critical and will have lifelong implications for their physical health and emotional wellbeing. By investing in our youth and advancing policies that support their health, we strengthen families, communities, and the state's future workforce.